

**SPACKENKILL UNION FREE
SCHOOL DISTRICT**

EXTRACLASSROOM ACTIVITY FUND-CASH BASIS

Year Ended June 30, 2004

SPACKENKILL UNION FREE SCHOOL DISTRICT
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June 30, 2004

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To the President and Members of
the Board of Education of the
Spackenkill Union Free School District:

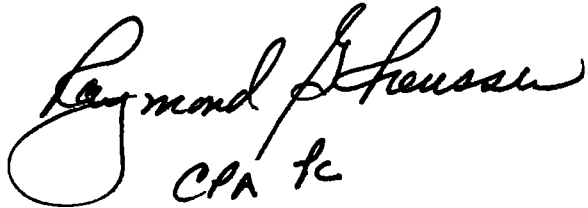
We have audited the accompanying statement of assets and fund balance - cash basis of the Extraclassroom Activity Fund of Spackenkill Union Free School District as of June 30, 2004, and the related statements of cash receipts and disbursements for the year then ended. This financial statement is the responsibility of the School District's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The records of the Extraclassroom Activity Fund of the Spackenkill Union Free School District were not adequate to permit the application of adequate auditing procedures to indicate whether all receipts were recorded.

As described in Note 1, this financial statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, except for the effects of any adjustments that might have been determined to be necessary had we been able to perform adequate auditing procedures in regard to the receipts referred to in the second preceding paragraph, the financial statement referred to above presents fairly, in all material respects, the recorded cash transactions of the Extraclassroom Activity Fund of the Spackenkill Union Free School District for the year ended June 30, 2004, on the basis of accounting described in Note 1.



Raymond A. Steussler
CPA TC

Claverack, New York
August 12, 2004

SPACKENKILL UNION FREE SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCE - CASH BASIS
June 30, 2004

ASSETS

Cash	<u>\$ 45,846.75</u>
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FUND BALANCE

Fund balance	<u>\$ 45,846.75</u>
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See auditors' report. See note to financial statement.

SPACKENKILL UNION FREE SCHOOL DISTRICT
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 Year ended June 30, 2004

<u>Activities Per General Ledger</u>	<u>Balances 7/1/2003</u>	<u>Receipts</u>	<u>Disburse- ments</u>	<u>Balances 6/30/2004</u>
Art Club	\$ 489.91	\$ 152.19	\$ -	\$ 642.10
Chess Club	67.92	-	-	67.92
Class of 2002	2.00	-	2.00	-
Class of 2003	6,235.35	-	358.95	5,876.40
Class of 2004	9,287.03	32,794.21	40,964.80	1,116.44
Class of 2005	2,136.80	11,095.06	8,369.33	4,862.53
Class of 2006	1,397.81	9,601.58	7,070.38	3,929.01
Class of 2007	-	3,703.25	2,598.00	1,105.25
Computer	653.92	-	-	653.92
Drama	8,580.03	10,910.45	10,130.16	9,360.32
Environmental	1,734.29	1,543.38	2,656.43	621.24
ITS	104.37	-	-	104.37
Leo Club	1,112.99	2,889.50	2,275.52	1,726.97
Pegasus	812.21	-	293.63	518.58
Photography	135.42	187.30	54.43	268.29
National HS	83.58	690.27	593.85	180.00
Contrast	264.01	1,787.47	1,805.00	246.48
S.A.D.D.	1,545.45	1,887.26	3,274.55	158.16
Science Club	507.04	63.65	240.81	329.88
Ski Club	1,216.50	8,140.00	7,910.00	1,446.50
Student Government	3,126.70	6,399.65	4,403.16	5,123.19
YAR	993.52	386.45	393.06	986.91
Yearbook	3,842.02	23,185.95	21,326.35	5,701.62
School Store	59.86	596.15	544.79	111.22
Sales Tax	906.27	3,370.34	4,176.41	100.20
Step Team	-	585.22	418.00	167.22
F.A.H.I.R.	154.39	1,428.64	1,141.00	442.03
Totals	\$ 45,449.39	\$ 121,397.97	\$ 121,000.61	\$ 45,846.75

See auditors' report. See note to financial statements.

SPACKENKILL UNION FREE SCHOOL DISTRICT

NOTE TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The transactions of the Extraclassroom Activity Fund are not considered part of the reporting entity of the Spackenkill Union Free School District. Consequently, such transactions are not included in the combined financial statements of the School District.

The accounts of the Extraclassroom Activity Fund of the Spackenkill Union Free School District are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statement.

See auditors' report.

SPACKENKILL UNION FREE SCHOOL DISTRICT

AUDITORS' FINDINGS AND EVALUATION

Cash Receipts:

We found that, generally, the internal accounting controls with regard to cash receipts were adequate to maintain proper accountability beyond the point of initial recording of the cash receipts. We realize that, because of the nature of the Extraclassroom Activities, cash is derived from a variety of sources and it is not always practical to verify the recorded receipts. However, we feel that whenever it is practical, procedures should be implemented to either determine in advance the amounts of cash which should be received or to verify the recorded receipts afterwards.

Cash Disbursements:

During the course of our audit, we noted the following:

1. One instance of invoice lacking the signature of the Activity Treasurer.

Inactive Clubs:

During our audit, we noted the Chess Club, ITS and the Computer Club were inactive during the year.

We recommend each inactive club should be reviewed, and if the club is no longer in existence, the remaining funds should be disposed of as prescribed by the Board of Education.

See auditors' report.